



Jalen Je Deux



Federal Trade Commission/Office of the Secretary, Room H-135 (Annex W)
600 Pennsylvania Avenue, NW
Washington, DC 20580

July 11, 2006

Re: Business Opportunity Rule, R511993

Dear Sir or Madam:

We are writing to express strong opposition to the proposed Business Opportunity Rule R511993. We understand that the Federal Trade Commission must protect the public from "unfair and deceptive acts or practices," but the rule as proposed would make it very difficult for us to operate our in-home business as Shaklee Independent Distributors. We have supplemented our retirement income for 27 years by our Shaklee business. But if the proposed conditions of Rule R511993 had been in effect in 1979 we could not have succeeded. Back in 1979 America was a place of opportunity and freedom where the dead hand of government regulations had not stifled new enterprises and entrepreneurship.

A confusing and burdensome section of the proposed rule is the seven-day waiting period to enroll new distributors. Most of the people who sign a Shaklee application are consumers of the products. If they later wish to build a business, all they must do is supply Shaklee Corporation with their Social Security Number or Tax Identification Number. No additional kit, fee or application is required. The Shaklee Member Kit costs only \$19.95. This is far less than most consumer purchases, from TVs to all manner of household appliances, none of which require a waiting period. The waiting period is also unnecessary in that Shaklee Corporation already has a 90% buyback policy for products, including the Member Kit, purchased by a distributor within the last two years.

The proposed rule requires the disclosure of a minimum of 10 prior purchasers nearest to the prospective purchaser. In this day of identity theft, we are uncomfortable giving out the personal information of other Shaklee distributors, without their knowledge or consent. We understand that those who sign up after the rule takes effect would be told in writing "If you buy a business opportunity from the seller, your contact information can be disclosed in the future to other buyers." This would dissuade new people from signing up as distributors as they are concerned not only about identity theft, but also about their privacy.

The 10 reference requirement is an administrative burden. To obtain the list of 10 prior purchasers, we will need to provide Shaklee Corporation with the prospective distributor's address, and wait to receive the list of the 10 nearest distributors who became distributors within the past three years. Each prospective recruit will need a customized disclosure statement. This will result in a delay far longer than seven calendar days before anyone can sign an application. Many people enter direct selling to earn extra income for a specific goal, such as holiday purchases or a family vacation. The wait which the proposed rule creates may make the goal unattainable.

The proposed rule calls for the release of any information regarding lawsuits that allege misrepresentation, or unfair or deceptive practices over a 10-year period. It does not matter if the company was found innocent or not liable. It does not make sense to us that we would have to disclose these lawsuits **unless Shaklee Corporation, or its officers, directors or sales department employees, had been found guilty or liable.** Start-up companies, which may not yet have experienced litigation, are far more likely to have legal issues surrounding their opportunities than Fifty-year old companies such as Shaklee.

We have had our Shaklee Distributorship for 27 years. Originally, we became Shaklee Distributors because we wanted to earn some additional income working from home. Now my wife and I depend upon this extra income to supplement our retirement income that is rapidly losing its value in today's escalating prices of energy, gas and groceries.

Thank you for considering our comments.

Sincerely,

Jim & Helen Sattler
Shaklee Directors